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### COMMONWEALTH OF VIRGINIA

## STATE CORPORATION COMMISSION

AT RICHMOND, FEBRUARY 27, 2002

APPLICATION OF

COX VIRGINIA TELCOM, INC.

CASE NO. PUC020005

For waivers of the Three-Call Allowance Requirement, price ceilings for directory assistance, directory listings and certain operator services, and request for expedited review

# ORDER PRESCRIBING NOTICE AND INVITING COMMENTS AND REQUESTS FOR HEARING

On January 15, 2002, Cox Virginia Telcom, Inc. ("Cox"), filed its Application with the State Corporation Commission ("Commission") requesting a waiver of the Three-Call Allowance requirement<sup>1</sup> and waivers of the price ceilings<sup>2</sup> applicable to Directory Assistance, Third-Number Billed, Operator-Handled

Price ceilings shall be the highest tariffed rates as of January 1, 1996, for comparable services of any incumbent local exchange telephone company or companies serving within the certificated local service area of the new entrant.

Price ceilings may be waived pursuant to 20 VAC 5-400-180 D 3 d, which provides that "the commission may permit pricing structures or rates of a new entrant's local exchange service(s) that do not conform with the established

 $<sup>^1</sup>$  The Three-Call Allowance requires that local exchange carriers provide customers with three free calls to local directory assistance per month.  $\underline{\text{See}}$  Final Order, Application of the Virginia Telephone Association ("VTA"), Case No. PUC890025 (June 7, 1990), 1990 S.C.C. Ann. Rept. 241.

 $<sup>^2</sup>$  The Commission's Rules Governing the Offering of Competitive Local Exchange Telephone Service ("Local Rules") 20 VAC 5-400-180 at D 3 c provides, in part, as follows:

Calling Card, Collect Person-to-Person, Busy Line Verification and Interrupt Services, and Directory Listings, including Non-published, Non-listed, Additional Listings, and Specialized Listings. The Application further requests expedited review.

In support of its Application for a waiver of the requirement of three free calls to directory assistance, Cox asserts that this requirement was adopted when the local exchange telephone business was a monopoly and that the Commission has since found that the provision of directory assistance is a competitive service.

Cox argues in support of its requested waivers of the price ceilings for Directory Assistance, Directory Listings, and certain Operator Services that its price structure differs from that of the incumbent, in part because it must purchase some of these services from the incumbent at retail rates, and that in the case of its directory assistance, both local and national listings are provided by Cox at the same price, unlike the incumbent. Cox requests the pricing flexibility to package its

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price ceilings, unless there is a showing that the public interest will be harmed.

<sup>&</sup>lt;sup>3</sup> See Final Order, Application of GTE South, Inc., to classify its National Directory Assistance service as competitive, Case No. PUC990034 (July 12, 1999); Final Order, Application of Bell Atlantic-Virginia to classify its national directory assistance service as competitive, Case No. PUC980176 (May 7, 1999).

services without conforming to the price ceiling applicable to each service for which it requests a waiver.

The Commission notes that if it grants the requested price ceiling waivers, Cox would have no rate limitations on the prices it could charge for these services. In addition, no other competitive local exchange carrier has requested or received a waiver from the provision of the three free calls allowance to local directory assistance. However, section D 3 d of the Local Rules authorizes the Commission to permit pricing structures or rates that do not conform with the price ceilings unless there is a showing that the public interest will be harmed.

The Commission concludes that interested parties should have the opportunity to comment on Cox's Application. Comments from any interested party or requests for hearing are invited to be filed in Case No. PUC020005 no later than April 30, 2002.

Accordingly, IT IS THEREFORE ORDERED THAT:

(1) Comments concerning Cox's Application or requests for a hearing, or both, may be filed with the Clerk of the Commission, c/o Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, on or before April 30, 2002. Such comments or requests for hearing should refer to Case No. PUC020005.

- (2) Cox shall furnish a copy of its Application to any person who requests one.
- (3) On or before April 8, 2002, Cox shall provide notice to its customers of its Application through a bill insert. At a minimum, the notice shall contain the following:

NOTICE BY COX VIRGINIA TELCOM, INC., OF ITS APPLICATION FOR A WAIVER OF CERTAIN DIRECTORY ASSISTANCE REQUIREMENTS AND WAIVER OF PRICE RESTRICTIONS FOR CERTAIN TELEPHONE SERVICES CASE NO. PUC020005

On January 15, 2002, Cox Virginia Telcom, Inc. ("Cox"), filed an Application with the Virginia State Corporation Commission ("Commission") seeking a waiver of the requirement to provide three free calls to directory assistance each month and waivers of the price ceilings established for directory assistance, third-number billed, operator-handled calling card, collect person-to-person, busy line verification and interrupt services, and directory listings, including non-published, non-listed, additional listings, and specialized listings. If granted these waivers, Cox would have no limitations on the prices it could charge for these services. However, notice of any subsequently proposed increases would have to be provided in advance to customers.

The Commission invites comments or requests for a hearing concerning Cox's Application. Comments or requests for a hearing should be addressed to the Clerk of the Commission, c/o Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia 23219. Such comments or requests for hearing should refer to Case No. PUC020005 and must be filed on or before April 30, 2002.

Any person desiring a copy of Cox's Application may obtain one by contacting Cox's attorneys, E. Ford Stephens, Esquire, Robert M. Gillespie, Esquire, and Cliona M. Robb, Esquire, Christian & Barton, LLP, 909 East Main Street, Suite 1200, Richmond, Virginia 23219, telephone number (804) 697-4100. The application may also be inspected in the Commission's Document Control Center during its regular business hours of 8:15 a.m. to 5:00 p.m., Monday - Friday.

## COX VIRGINIA TELCOM, INC.

- (4) On or before April 22, 2002, counsel for Cox shall provide to the Commission proof of the notice required by Ordering Paragraph three (3) herein.
  - (5) This matter is continued generally.